



Richard declared an interest as he owns a site that he will put forward for consideration for affordable housing. He said that if the Parish Council is able to identify three sites in three villages, and is able to split their housing need of 11 units into, say two developments of 4 units each and one development of 3 units, then the impact on each village is not high and new residents integrate into the community easily. It would be hoped that the sites chosen would offer the potential to increase the number of affordable housing units in future years, allowing the villages to grow in a sustainable and sympathetic way. Russell said that if the scheme has three small developments, but packaged as one, with all the developments working concurrently, then maybe it is workable. The housing need has been identified as 9 units of rented accommodation and 2 units of shared ownership. Moat would prefer the majority to be shared ownership units, or at least 50/50.

Russell said that the shared ownership model allows a resident to buy a proportion of the property from the housing association. The resident would have a mortgage for this part, and the remainder is paid by rent to the housing association. Over time, most residents buy a greater share in the property, although some stay with a low stake and pay the majority as rent. The largest share a resident can purchase of a shared ownership unit on a rural exception site is usually limited to 80% to prevent the shared ownership unit becoming a fully privately-owned dwelling. When the resident wishes to move, he sells his share of the property on the open market and this will give a good deposit for a new house. If the share he owns is too high, it might be possible to sell it back the housing association, who could lower the share back to, say, 25% allowing it to become an affordable proposition for a new buyer.

Russell said that Moat's sales team are not keen on one bed shared ownership units as these can prove difficult to sell when most purchasers can stretch their finances to afford a two bed unit. Richard said that the Parish Council would like to see the types of unit specified as need, i.e.: Rental units: 7 units of one-bed, 1 unit of two-bed and 1 unit of three-bed. Shared ownership units: 1 unit of one-bed and 1 unit of two-bed. Russell said that there are allocation requirements for rental units, for example a single person or couple can only have a one-bed unit. But with shared ownership, affordability is the important criteria and current housing need does not dictate the size of property they are eligible for. So, a couple might like to buy a two-bed unit so that they can plan for a family. As set out in the housing needs survey report, a deposit of £69,750 and an annual income of £112,929 would be required in order to purchase a property on the open market at £465,000. A maximum household income of £70,000 is permitted in order to be eligible to purchase a shared ownership unit outside of London, and in London this is £90,000.

Russell said that SDC has a sliding scale of affordable housing contributions from developers depending on size of development. See ([https://www.sevenoaks.gov.uk/\\_\\_data/assets/pdf\\_file/0018/127080/Affordable-Housing-SPD.pdf](https://www.sevenoaks.gov.uk/__data/assets/pdf_file/0018/127080/Affordable-Housing-SPD.pdf)). Where these contributions are taken in lieu of onsite provision as cash contributions SDC has a fixed time period (typically 3 to 5 years) to spend these contributions on an affordable housing scheme or else they have to repay the amount to the developers with interest.

Russell said that the Housing & Planning Bill, currently going through the House of Lords, will potentially allow a first-time buyer a 20% discount on the purchase of a new built home up to a value of £450,000. The Bill has the potential to allow this new product to replace more traditional affordable housing requirements i.e. affordable rent or shared ownership. Moat like the vast majority of Registered Providers, has voluntarily accepted the Right to Buy provisions of the Bill on their current housing stock as legislation was likely to make this happen if they hadn't engaged with this on a voluntary basis. Exception sites will have more protection and units previously via S.106 agreements might also be more problematic to sell as there is normally a clause with S.106 agreements that states the unit has to remain as an affordable unit in perpetuity. Richard asked whether the Parish Council could see Moat's analysis on how residents can afford to buy under the Right to Buy if they wish to. Russell said that the changes to the benefits system will impact social housing as rent arrears can build up. The credit rating of housing associations will then suffer.

Richard thanked Russell very much for sparing the time to come along and discuss this important matter with members.

The meeting closed at 3.20pm

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